

Local
Member
Benefits



California Public Employees' Retirement System

✕ Important

This symbol means that a benefit may or may not apply to you, depending on your employer's contract with CalPERS. If you see this symbol, check with your employer to see if the benefit has been provided for you.

Retirement Workshops and Seminars

CalPERS offers two-hour Retirement Workshops and full-day Financial Planning Seminars to help members plan for a better and healthier retirement. Contact your nearest CalPERS Regional Office for details.

Your Contributions

As a CalPERS member under this formula, a portion of your monthly pay is deducted each month and put into the Retirement Fund. The amount of your contributions, and the interest earned, is shown on your CalPERS Annual Member Statement. Your employer contributes a substantial amount each month on your behalf. However, this amount is not shown in your statement as it is placed in a separate account. CalPERS uses your contributions and those of your employer, as well as income from investments, to pay for your benefits. Your contributions will remain on deposit as long as you work for a CalPERS-covered employer.

Changing Jobs

If you leave your present job, you may leave your contributions on deposit, or you may request a refund of your contributions and interest. If you elect a refund, 20 percent federal withholding is mandatory, unless you request your refund be directly rolled over into a qualified defined contribution plan or an Individual Retirement Account. Remember, if you leave your contributions on deposit with

CalPERS, you will continue to earn interest at the current interest crediting rate. You may then later apply for a refund (see below) or retirement (if you meet service and age requirements).

You cannot receive a refund if one of the following conditions applies:

1. you have entered CalPERS-covered employment;
2. you have accepted a position covered by the State Teachers', Legislators', Judges' Retirement System I, or Judges' Retirement System II;
3. you entered employment, within six months of leaving your CalPERS job, with a California public retirement system that has reciprocity with CalPERS. Reciprocity is an agreement between CalPERS and certain other systems that permits movement of members to and from CalPERS without the loss of certain retirement rights. For more information see **When You Change Retirement Systems** (PERS-PUB-16) or contact a CalPERS Regional Office.

A refund terminates your CalPERS membership and you will not be eligible for any benefits unless you return to CalPERS membership.

Redepositing Withdrawn Contributions

If you return to CalPERS membership, you may redeposit your contributions, plus interest, and restore corresponding service credit. You may also redeposit your contributions if you become a member of another California public retirement system which has reciprocity with CalPERS. This does not apply to all systems, so contact CalPERS for more information.

To Receive An Estimate

If you are considering retirement CalPERS can prepare an estimate of your allowance for you and mail it to your home. This will tell you approximately what your allowance would be under the options available to you. You may request an estimate by mail by completing a **Retirement Allowance Estimate Request** (PERS-BAS-1). This form is available from your employer or CalPERS. You may also request an estimate by telephone from a CalPERS Regional Office near you (see back cover for addresses and telephone numbers). We'll need to know:

- your name;
- birthdate;
- Social Security number;
- mailing address;
- tentative date(s) of retirement;
- your beneficiary's birthdate and their relationship (if you want estimates for Options 2, 2W, 3, 3W, or 4); and
- whether you have ever received a CalPERS monthly allowance.

If your employer provides the Survivor Continuance Benefit, CalPERS will need to know:

1. if you have a spouse you have been married to for at least one year prior to your effective date of retirement, or if no such spouse;
2. unmarried children under age 18, or any unmarried child who was disabled prior to age 18 and has remained disabled continuously since then, or if no such children;
3. dependent parents.

Remember, you must still file an application for retirement if you want to retire.

You can also receive an informal estimate by using the CalPERS Retirement Planning Calculator on our web site at www.calpers.ca.gov.

Choosing A Retirement Plan

At retirement you may choose to receive the highest retirement allowance (Unmodified Allowance) or you take a reduction and choose one of four optional settlements. These are explained in your formula booklet.

✘ Regardless of the retirement plan you choose, upon your death CalPERS will pay a \$500 retired member death benefit to a named beneficiary. (An agency may change its contract to provide \$600, \$2,000, \$3,000, \$4,000, or \$5,000 for this benefit.)

Applying For Retirement

You must complete an **Application For Retirement** (PERS-BAS-369). This form is available from your Personnel Office or any CalPERS Office. You may, at that time, request calculations for the unmodified allowance and all the options.

To ensure timely processing, your application should be submitted to CalPERS at least 90 days before you intend to retire. Your effective retirement date can be no earlier than the first of the month in which the application is received at CalPERS, except in special circumstances.

If you are a member of a retirement system that has reciprocity with CalPERS you will need to submit a separate retirement application to both retirement systems. For further information on reciprocity, see **When You Change Retirement Systems** (PERS-PUB-16).

If you are married, you may be asked to provide a copy of your marriage certificate. If you plan to name a beneficiary to receive a monthly allowance, you will also have to present proof of your beneficiary's date of birth. Copies of required documents are acceptable.

In the month before your retirement date, you should receive an **Election Of Optional Settlement and Beneficiary Designation** (PERS-BAS-898). You must select one of the optional settlements or the unmodified allowance, sign the form in the presence of a notary public or an authorized CalPERS representative, and return it to CalPERS headquarters in Sacramento.

Other Considerations

✘ Health Insurance

Check with your employer to find out if you are covered by the Public Employees' Medical and Hospital Care Act (PEMCHA).

Not covered under PEMCHA: Ask your health benefits officer about keeping your present health care plan or getting a new plan. It is important you do this before your retirement date.

Covered under PEMCHA: If you are currently covered and are having deductions taken from your paycheck, you may continue your health insurance into retirement.

If you retire within 30 days after separation from employment, your CalPERS health plan will automatically continue.

If you retire more than 30, but within 120 days, of separation from employment, your health coverage will not automatically continue. You are, however, eligible to re-enroll in your health plan. To do so, contact the CalPERS Health Benefit Services Division as soon as you are advised of your retirement date.

If your effective date of retirement is more than 120 days after separation from employment, or you are not enrolled at the time of separation, you are not eligible to be enrolled at retirement or any future date.

If upon retirement you are eligible for Social Security Medicare benefits (after age 65), State law prohibits your continued enrollment in the "basic" plan. You must enroll in the Supplement To Medicare or Managed Medicare portion of the plan you are enrolled in. Contact the CalPERS Health Benefit Services Division or a CalPERS Regional Office immediately after receiving your federal Medicare card to determine your eligibility and coordinate the effective date of your coverage change.

If you do not apply for retirement at least 90 days before you intend to retire or you are aware of a delay in receiving your first retirement check, you should contact your personnel office to discuss making direct payments for your health insurance. The direct payments will ensure continuation of services and claim payments for your current PEMCHA coverage. You will be

reimbursed for the direct payment amounts by the plan as soon as the payments are made by CalPERS.

If your family members are included in your CalPERS health plan at the time of your death, their enrollment will be continued automatically, provided they receive a monthly allowance sufficient to cover their share of the cost, if any, or pay the difference between the employer's contribution and the total premium amount.

Surviving family members' eligibility for health coverage can change due to various circumstances. For example, a spouse who is receiving a 1959 Survivor Benefit may experience an interruption in health coverage due to loss of eligibility for dependent children. The spouse may re-enroll upon regaining eligibility at age 62.

For more information on eligibility, refer to your health benefits booklet or call the CalPERS Health Benefits Services Division.

Long-Term Care

If you are enrolled in the CalPERS Long-Term Care Program and have premiums deducted from your check, you will need to call the Program's Customer Service at (800) 982-1775 to find out what steps you need to take to continue your premium payments after retirement.

✕ Cost-Of-Living Adjustments

A special provision in your retirement plan allows for cost-of-living increases. The first increase will be made in the second calendar year following your retirement, and annually thereafter. Currently, these increases are limited to a maximum of 2 percent compounded annually, unless your employer has contracted to provide a 3, 4, or 5 percent increase.

Inflation Protection

Added protection against inflation is provided by the Purchasing Power Protection Allowance (PPPA), created to restore the monthly allowance to 75 percent of its original purchasing power.

You will automatically receive PPPA supplemental payments if your allowance falls below the 75 percent purchasing power level and there are funds in the PPPA account.

Temporary Annuity

Temporary Annuity is an additional monthly income option you may choose to receive to augment your pension from CalPERS. This additional benefit may enable you to coordinate your CalPERS benefit with other income sources you may receive such as deferred compensation or Social Security.

The temporary annuity benefit is payable from your retirement date to a specific age that you select – 59½ or any whole age from 60 to 68. You may also name the dollar amount you wish to receive within certain limitations. It is important to note that this benefit is **not free**. Your CalPERS lifetime retirement allowance is reduced to pay for your temporary annuity.

In order to be eligible for temporary annuity benefits you must retire with a service retirement. **You are not eligible for the temporary annuity benefit if you retire for disability.**

For more information on the qualifications, costs, and benefits under this plan, see **Temporary Annuity** (PERS-PUB-13).

Taxes

Your benefits will be subject to both State and federal tax withholding. You will be given the opportunity to make an election regarding withholding.

Information on the taxability of your retirement is available from the Internal Revenue Service, the California State Franchise Tax Board, or the tax authority of the state you live in. You may also want to contact your tax advisor or attorney.

After you retire, CalPERS will send you a Form 1099R each year, which is a tax statement of benefits paid to you during the year.

For more information, see **Taxes and Your Retirement** (PERS-PUB-34).

Social Security

If you have ever contributed to Social Security, check with your local Social Security office to determine what your benefits may be under that program.

Working After Retirement

After your service retirement, you may work for private industry or any non-CalPERS agency with no reduction or effect on your retirement allowance.

Before you enter into CalPERS-covered employment, check with CalPERS on how this could affect your retirement status.

If you retire for disability, outside employment may reduce your allowance. See **Disability Retirement** (PERS-PUB-10) and **Industrial Disability Retirement** (PERS-PUB-11) for more information.

Reinstatement To Membership

If you wish to accept employment requiring membership in CalPERS you must be reinstated from retirement.

CalPERS must approve your reinstatement before it becomes effective. You will have to comply with certain requirements to be reinstated. When your reinstatement becomes effective, you will stop receiving your allowance until you retire again. Reinstatement will affect future benefit payments and cost-of-living allowances. You must contact CalPERS prior to reinstating.

☒ Sick Leave Credit

At retirement, any unused sick leave you have will be converted to additional service credit (the additional service will not change your age at retirement). You will receive credit for each day of unused sick leave certified by your employer. It takes 250 days of sick leave to receive one year's service credit. Eight hours of sick leave is one day, which converts to .004 of a year of service credit. For example, if your employer certified 120 days, your additional credit would be $120 \div 250$, or .480 of a year's service credit. This adjustment is calculated after your retirement and paid retroactively to your retirement effective date.

To receive sick leave credit, your retirement date must be within 120 days from the date of separation from the employer granting the sick leave credit.

Changing Beneficiaries After Retirement

You may change your designation for Option 1, the retired death benefit, or any unpaid temporary annuity payments at any time by filing a **Beneficiary Designation For Death Benefits After Retirement** (PERS-PRS-509).

A change in your marital status, the birth or adoption of a child, or the death of your named beneficiary may, by law, revoke your beneficiary designation for lump-sum death benefits.

Re-Election Of Option After Retirement

There are certain limited situations under which you may re-elect an option after retirement and name a new beneficiary. Such re-election could result in a reduction to your allowance.

- If at retirement you choose to receive the unmodified or Option 1 allowance, you may elect to receive an optional settlement naming your spouse as beneficiary.
- If at retirement you choose to receive Option 2, 2W, 3, 3W, or 4, and your beneficiary dies, or you marry, you may elect to receive an optional settlement and name a new beneficiary. If at retirement you name your spouse as beneficiary and there is a change in your marital status, contact CalPERS immediately.
- If you choose to receive Option 2, 2W, 3, 3W, or 4, and name your spouse as beneficiary but your marriage is later terminated, you may (in limited circumstances) elect to receive a new optional settlement and name a new beneficiary.

Power Of Attorney

CalPERS has a durable special power of attorney form for use by members and beneficiaries. This durable special power of attorney enables you to appoint another individual to deal with CalPERS on your behalf. This person may select a retirement option, a beneficiary, change your mailing address, sign tax withholding forms, and conduct other retirement business on your behalf.

The Power of Attorney is a complex issue. To fully understand it, you should obtain a copy of **The Power of Attorney** booklet (PERS-PUB-30). This booklet contains the needed **CalPERS Special Power of Attorney** form (PERS-0SS-138).

CalPERS Headquarters Telephone Information Centers

Retirement Program Services	(800) 352-2238
Health Benefits Program Services	(800) 237-3345
Telecommunications Device for the Deaf	(916) 326-3240

These numbers are available to leave an inquiry 24 hours a day, seven days a week.

FAX Numbers

Benefit Services Division	(916) 326-3933
Health Benefit Services Division	(916) 326-3935
Member Services Division	(916) 558-4019
Other CalPERS Offices	
Fresno Regional Office	(559) 440-4901
Los Angeles Regional Office	(310) 231-3480
Mountain View Regional Office	(650) 428-4601
Orange Regional Office	(714) 939-4701
Sacramento Regional Office	(916) 231-7878
San Bernardino Regional Office	(909) 806-4820
San Diego Regional Office	(619) 220-7201
San Francisco Regional Office	(415) 369-8501

CalPERS Addresses

Sacramento Regional Office (Headquarters)

2750 Gateway Oaks Dr., Room 140
Sacramento, CA 95833
(800) 352-2238

Fresno Regional Office

10 River Park Place East, Suite 230
Fresno, CA 93720
(559) 440-4900

Los Angeles Regional Office*

11766 Wilshire Blvd., Suite 1600
Los Angeles, CA 90025
(310) 231-3464

Mountain View Regional Office

650 Castro Street, Suite 240
Mountain View, CA 94041
(650) 428-4600

Orange Regional Office

500 North State College Blvd.,
Suite 750
Orange, CA 92868
(714) 939-4700

San Bernardino Regional Office

650 East Hospitality Lane
Suite 330
San Bernardino, CA 92408
(909) 806-4800

San Diego Regional Office

7676 Hazard Center Dr., Suite 350
San Diego, CA 92108
(619) 220-7200

San Francisco Regional Office

301 Howard St., Suite 2020
San Francisco, CA 94105
(415) 369-8500

CalPERS On-Line

www.calpers.ca.gov

About the cover:

California Mussel; Mytilus californicus

The California Mussel can be found attached to rocks in clusters along our Pacific Coast from Canada to Mexico. This mussel is one of the larger equivalves, growing up to five inches long. Although most mussels are edible, they are not commonly eaten in America. In Europe, however, mussels like this one are "farmed" and eaten in great quantity.

* This office may be relocating in 2000. Please call first to verify address before visiting.

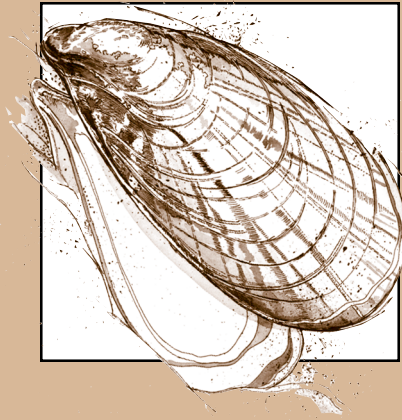
Here is your California Public Employees' Retirement System (CalPERS) member benefit booklet. This two-part booklet tells you about your retirement program. The outside portfolio contains information on contributions, health insurance, and other considerations. The booklet inside tells you about your specific formula and benefits. It will help you choose the best retirement plan for you and your beneficiaries. As you think about retirement, you should also review ***Planning Your Service Retirement*** (PERS-PUB-1), available from your Personnel Office or CalPERS.

We urge you to attend a retirement planning workshop several months before you retire to help with this decision. Your personnel office can help you arrange an appointment at the nearest CalPERS Regional Office or with CalPERS staff who travel to your area.

We hope this booklet will help you understand your retirement program and the benefits provided for you and your beneficiaries.

While reading this material, remember that we are governed by the Public Employees' Retirement Law. The statements in this booklet are general. The Retirement Law is complex and subject to change. If there is a conflict between the law and this booklet, any decisions will be based on the law and not this booklet.

**All CalPERS publications mentioned in these materials
are available on our web site at www.calpers.ca.gov**



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Local
Miscellaneous
2% at 60
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California Public Employees' Retirement System

While reading this material, remember that we are governed by the California Public Employees' Retirement Law. The statements in this booklet are general. The Retirement Law is complex and subject to change. If there is a conflict between the law and this booklet, any decisions will be based on the law and not this booklet.

Definition

“Local miscellaneous” members are those employed by a public agency or special district that has contracted with CalPERS who are not involved in law enforcement, fire suppression, the protection of public safety, or in a position designated by law as safety.

Important

This symbol means that a benefit may or may not apply to you, depending on your employer's contract with CalPERS. If you see this symbol, check with your employer to see if the benefit has been provided for you.

Notice

Section 415 of the Internal Revenue Code places a dollar limit on the annual benefit you can receive from a tax-qualified pension plan such as CalPERS. Under Section 415, the maximum annual benefit payable if you retire at Social Security “normal retirement age” is \$135,000 for 2000 (indexed annually for inflation and reduced for early retirement).

If you first became a CalPERS member **prior** to January 1, 1990 your benefit, under certain circumstances, may exceed this limit.

If at retirement CalPERS finds that your benefit must be limited under Section 415, CalPERS will enroll you in a replacement benefit program and pay a monthly amount that will, to the extent possible, make up the amount your CalPERS benefit is limited.

Pre-Retirement Death Benefits

If you die before you retire, CalPERS provides several benefits for your family or the beneficiary(ies) named by you. You should discuss the different choices CalPERS offers with your beneficiary. For your convenience we have divided the pre-retirement death benefits into two categories: **Not Eligible To Retire** at the time of death, and **Eligible To Retire**.

A note to those who have separated from CalPERS-covered employment: upon your death, your beneficiary will receive the limited death benefit (a refund of your contributions plus interest). No other benefit will be payable, except as provided by law under special circumstances. The limited death benefit will be paid to beneficiaries in the following order:

- (1) your named beneficiary*, or
- (2) spouse, or (3) children, or
- (4) parents, or (5) brothers and sisters, or (6) your estate if probated, or (7) trust, or (8) next of kin, as provided by law.

***Named Beneficiary.** To designate a beneficiary, or update an earlier designation, you must fill out a **CalPERS Beneficiary Designation** (State Form 241). This form is available through your employer or CalPERS. Certain death benefits allow you to name anyone you choose as a beneficiary. If you name a beneficiary and then (1) marry, (2) initiate an annulment, or dissolution of marriage, (3) have a child or adopt a child, or (4) terminate your employment and receive a refund of your CalPERS contributions, your designation will, by law, be revoked. Should any of the above events take place, check with CalPERS about updating your beneficiary designation.

Not Eligible To Retire

Under age 50, or age 50 or over with less than five years of CalPERS-credited service.

Benefit	Amount Payable
Special Death Benefit (If Applicable)	<p>If your death is the direct result of a violent act against you while you were performing your official duties, your surviving spouse or unmarried children under age 22 may receive a monthly allowance equal to $\frac{1}{2}$ of your final compensation (see page 6). When the death was caused by external violence or physical force while on the job, and there are eligible surviving children in addition to your spouse, the allowance may be increased to a maximum of 75 percent.</p> <p>The Special Death Benefit is payable to your surviving spouse until death or to your unmarried children until age 22. To be eligible, your spouse must have been married to you either prior to the onset of the injury which resulted in your death or for at least one year before death.</p> <p>✗ Your employer must contract to provide the Special Death Benefit for miscellaneous employees.</p> <p>Or</p> <p>Your beneficiary will receive a lump-sum payment of:</p> <ol style="list-style-type: none">1. a refund of your contributions, plus interest, and2. up to six months' pay (one month's average earnings for each year of current service to a maximum of six months). <p>Your beneficiary would be determined as follows:</p> <ol style="list-style-type: none">1. your named beneficiary, or if none,2. spouse, or if none,3. your children, or if none,4. parents, or if none,5. brothers and sisters, or if none,6. estate if probated, or if not,7. trust, or if none,8. next of kin, as provided by law. <p>And</p> <p>Applicable only for members not covered under Social Security while employed under a CalPERS-covered agency (see page 4). (The 1959 Survivor Benefit may not be payable if the Special Death Benefit is elected.)</p>
Basic Death Benefit	
1959 Survivor Benefit (If Applicable)	

Eligible To Retire

Age 50 or over with a minimum of five years of CalPERS-credited service

Benefit	Amount Payable
Special Death Benefit (If Applicable)	<p>If your death is the direct result of a violent act against you while performing your official duties, your surviving spouse or unmarried children under age 22 may receive a monthly allowance equal to $\frac{1}{2}$ of your final compensation (see page 6). When the death was caused by external violence or physical force while on the job, and there are eligible surviving children in addition to your spouse, the allowance may be increased to a maximum of 75 percent.</p> <p>The Special Death Benefit is payable to your surviving spouse until death or to your unmarried children until age 22. To be eligible, your spouse must have been married to you either prior to the onset of the injury which resulted in your death or for at least one year before death.</p> <p>✘ Your employer must contract to provide the Special Death Benefit for miscellaneous employees.</p> <p>Or</p>
Optional Settlement 2 Death Benefits	<p>Your spouse, if married for more than one year, will receive a monthly allowance equal to the amount you would have received if you had retired for service on the date of your death and elected Option 2W. The benefit is payable to your spouse until death. Upon the death of your spouse, the benefit will continue to your natural or adopted unmarried children under age 18.</p> <p>✘ Your employer must contract for this benefit.</p> <p>Or</p>
1957 Survivor Benefit	<p>This benefit provides a monthly allowance equal to $\frac{1}{2}$ of what your highest service retirement allowance would have been had you retired on the date of your death. Those eligible to receive this allowance are:</p> <ol style="list-style-type: none">1. your spouse (if married at least one year before your death), until death; or2. your natural or adopted unmarried children under age 18 (if you have no eligible spouse). <p>Or (continued)</p>

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Eligible To Retire *(continued)*

Age 50 or over with a minimum of five years of CalPERS-credited service

Benefit	Amount Payable
Basic Death Benefit	<p>The Basic Death Benefit will be paid if:</p> <ol style="list-style-type: none">1. no one is eligible for the monthly allowance above, or2. someone who is eligible for the monthly allowance above chooses instead to receive the Basic Death Benefit. <p>Your beneficiary will receive a lump-sum payment of:</p> <ol style="list-style-type: none">1. a refund of your contributions plus interest, and2. up to six months' pay (one month's average earnings for each year of current service to a maximum of six months). <p>Your beneficiary would be determined as follows:</p> <ol style="list-style-type: none">1. your spouse (if married for at least one year), or if no eligible spouse,2. unmarried children under age 18, or if none,3. named beneficiary, or if none,4. your spouse (if married for less than one year), or if none,5. children other than those mentioned in 2 above, or if none,6. parents, or if none,7. brothers and sisters, or if none,8. estate if probated, or if not,9. trust, or if none,10. next of kin, as provided by law. <p>And</p>
1959 Survivor Benefit (If Applicable)	<p>Not all members are covered by this benefit (see page 4). (The 1959 Survivor Benefit may not be payable if the Special Death Benefit is elected.)</p>

✘ 1959 Survivor Benefit

This benefit is available only if your employer has contracted with CalPERS to provide it and you are not covered under Social Security. If you are covered under the 1959 Survivor Benefit, you will notice a \$2 deduction from your monthly paycheck.

The 1959 Survivor Benefit is paid along with the other death benefits, with the exception of the Special Death Benefit,* whether or not you were eligible to retire at the time of death.

The benefit consists of a monthly allowance which may be paid to your eligible surviving spouse and children. A spouse is eligible if they (1) have care of eligible children, or (2) are age 62 or older. (Children are eligible if under age 22 and unmarried.)

✘ Your employer may contract to provide this benefit when your spouse is 60 or older.

* *If the 1959 Survivor amount is more than the Special Death Benefit, the difference is payable under the 1959 Survivor Benefit Program.*

Monthly Benefit Levels

Currently, there are five different 1959 Survivor Benefit levels. The applicable level depends on the contract your employer has with CalPERS.

Please refer to the following chart to determine the amounts payable under each level depending on the number of eligible survivors:

Benefit Level	One Survivor	Two Survivors	Three or More Survivors
Level 1*	\$180	\$360	\$430
Level 2*	\$225	\$450	\$538
Level 3	\$350	\$700	\$840
Level 4	\$950	\$1,900	\$2,280
Indexed Level	\$500	\$1,000	\$1,500**

* *These levels are closed for new agency contract amendments after January 1, 1994.*

** *These amounts will increase by 2 percent each January, beginning in January 2001.*

Retirement Benefits

Service Retirement

To be eligible for service retirement you must be at least age 50 and have five years of CalPERS-credited service. There are some exceptions to the five-year requirement. Therefore, if you are 50 or older and have less than five years of service credit, contact a CalPERS Regional Office to find out if an exception will apply to you.

Disability Retirement

You must have at least five years of credited service to qualify for disability retirement. There are some exceptions to the five-year requirement. If you have less than five years of service credit, contact a CalPERS Regional Office to find out if an exception will apply to you. There is no minimum age requirement. If you are considering applying for disability retirement, you should request a copy of **Disability Retirement** (PERS-PUB-10).

✘ Some employers have amended their contracts to offer industrial disability retirement to their local miscellaneous employees. There are no minimum service requirements. If you cannot work because of a job-related injury and your employer provides industrial disability, ask for our brochure **Industrial Disability Retirement** (PERS-PUB-11).

Emergency Retirement

CalPERS will expedite retirement processing for those who are terminally ill or facing imminent death. Contact the CalPERS Benefit Services Division or your employer immediately if there is a need for emergency retirement.

Estimating Your Service Retirement Allowance

There are three things you need to know to estimate your retirement allowance: service credit, benefit factor, and final compensation. These are described here, with an example and a space to estimate your own benefit on page 6. We recommend that prior to retirement you request a formal estimate from CalPERS.

If your CalPERS service is a combination of some service covered and some service not covered by Social Security, or if you have a combination of service under CalPERS with the State or a local agency, special consideration must be given to figure the amount of your benefit. You should request a formal estimate from CalPERS by completing a **Retirement Allowance Estimate Request** (PERS-BAS-1) available from your employer or any CalPERS Regional Office.

You can also receive an informal estimate by using the CalPERS Retirement Planning Calculator on our web site at www.calpers.ca.gov.

Service Credit

In calculating your retirement allowance you will use your years of credited service. (Refer to your CalPERS Annual Member Statement for your current service credit and add planned future service.)

You may be entitled to additional service credit. Examples of possible additions to service credit are:

- unused sick leave at retirement;
- redeposit of contributions you withdrew from CalPERS;
- service with a CalPERS-covered employer prior to your date of membership;
- service with a public agency prior to the date of that agency's contract with CalPERS; or
- certain types of leaves of absence, public service employment, or military service.

For further explanation and other types of service credit, see **Service Credit** (PERS-PUB-12) or contact a CalPERS Regional Office.

Benefit Factor

This is the percent of pay to which you are entitled for each year of service. It is determined by your age at retirement.

We have shown only whole years of age below. However, the benefit factor increases for each quarter year of age from 50 to 55.

Age At Retirement	Percent Per Year Of Service
50	1.092
51	1.156
52	1.224
53	1.296
54	1.376
55	1.460
56	1.552
57	1.650
58	1.758
59	1.874
60	2.000
61	2.134
62	2.272
63+	2.418

✕ Final Compensation

Final compensation is your average monthly pay rate for the last consecutive 36 months of employment or 12 months if your employer has contracted to provide one-year final compensation. If you think there was another period of 36- or 12-consecutive months when your average pay rate was higher, let us know when you apply for retirement. We will use whichever final compensation is higher.

If your CalPERS service was coordinated with Social Security, you must reduce your final compensation by \$133.33.

Example

If you will be retiring at age 60 with 25 years of service.

Step 1: Calculating Percent Of Final Compensation

$$\frac{25}{\text{Years Of Service}} \times \frac{2\%}{\text{\% Per Year Based On Age At Retirement}} = \frac{50\%}{\text{\% Of Final Compensation}}$$

(from table in back of book)

Step 2: Calculating Benefit Allowance

Service not coordinated with Social Security

$$\frac{\$2,000.00}{\text{Final Compensation}} \times \frac{50\%}{\text{\% Of Final Compensation (from Step 1)}} = \frac{\$1,000.00}{\text{Monthly Unmodified Allowance}}$$

Service coordinated with Social Security

$$\frac{\$1,866.67}{\text{Final Compensation (-\$133.33)}} \times \frac{50\%}{\text{\% Of Final Compensation (from Step 1)}} = \frac{\$933.34}{\text{Monthly Unmodified Allowance}}$$

Your Case

You will be retiring at age _____ with _____ years of service.

Step 1: Calculating Your Percent Of Final Compensation

$$\frac{\text{Years Of Service}}{\text{Years Of Service}} \times \frac{\text{\% Per Year Based On Age At Retirement}}{\text{\% Per Year Based On Age At Retirement}} = \frac{\text{\% Of Final Compensation}}{\text{\% Of Final Compensation}}$$

(from table in back of book)

Step 2: Calculating Your Benefit Allowance

Service not coordinated with Social Security

$$\frac{\text{Final Compensation}}{\text{Final Compensation}} \times \frac{\text{\% Of Final Compensation (from Step 1)}}{\text{\% Of Final Compensation (from Step 1)}} = \frac{\text{Monthly Unmodified Allowance}}{\text{Monthly Unmodified Allowance}}$$

Service coordinated with Social Security

$$\frac{\text{Final Compensation (-\$133.33)}}{\text{Final Compensation (-\$133.33)}} \times \frac{\text{\% Of Final Compensation (from Step 1)}}{\text{\% Of Final Compensation (from Step 1)}} = \frac{\text{Monthly Unmodified Allowance}}{\text{Monthly Unmodified Allowance}}$$

✕ Survivor Continuance

This benefit applies only if your employer has contracted to provide it and you have an eligible family member. This is a benefit paid for by your employer. It provides that upon your death after retirement, a part of your monthly allowance will automatically continue to an eligible survivor.

Those eligible to receive this benefit are:

1. your spouse, if you were married for at least one year before your retirement and had remained married until the date of your death, will receive the continuance benefit for life. (For disability retirement, you need only have been married at retirement and remained married until the date of your death.)
2. your natural or adopted unmarried children under age 18, if you have no eligible spouse, will receive this monthly benefit until marriage or age 18. An unmarried child who was disabled prior to age 18 and whose disability has continued, without interruption, will receive this benefit until the disability ends or until marriage.
3. if none of the above, qualifying dependent parents.

If your service is not coordinated with Social Security, the continuance will be $\frac{1}{2}$ of your unmodified allowance. If your service is coordinated with Social Security, the continuance will be $\frac{1}{4}$ of your unmodified allowance. If you have some time covered and some time not covered under Social Security, or if you have a combination of service under

CalPERS with the State or a local public agency, special consideration must be given to figure the amount of your continuance benefit. Contact your nearest CalPERS Regional Office or your employer for a **Retirement Allowance Estimate Request** (PERS-BAS-1).

You can also receive an informal estimate by using the CalPERS Retirement Planning Calculator on our web site at www.calpers.ca.gov.

Remember, Survivor Continuance will apply only if your employer has contracted to provide it and you have an eligible family member as of the date of your retirement.

Optional Settlements

When you retire, you can choose to receive the unmodified allowance, or you can take a reduction to that allowance and choose one of the options.

The unmodified allowance is the highest amount payable and provides a monthly benefit to you that ends upon your death. Each of the options provides a benefit to your named beneficiary after your death. Option 1 provides a lump-sum payment of your remaining contributions. Option 2, 2W, 3, 3W, or 4 provides a monthly allowance.

The reduction to your unmodified allowance depends on the option you choose.

Option 1. The reduction is based on your life expectancy at retirement and the amount of your contributions. You may name one or more beneficiaries and you may designate a new beneficiary at any time.

Option 2 or 3. The reduction is based on both your life expectancy at retirement and your beneficiary's. The younger your beneficiary, the greater the reduction. (If you have someone eligible for Survivor Continuance, the reduction is applied only to the option portion of your allowance.) You may name only one beneficiary and your designation may not be changed after retirement except under limited circumstances.

If your beneficiary dies before you, your allowance will increase to the higher unmodified allowance amount. Under certain circumstances you may not want to "buy" this coverage (e.g., you name a young child as a beneficiary). Therefore, you may waive this coverage by electing **Option 2W or 3W** and take a smaller reduction to your unmodified allowance. CalPERS will provide you with calculations of all these choices when you apply for retirement.

Option 4. The reduction is based on the type of option you design. The amount to your beneficiary cannot be greater than that provided by Option 2W. Please refer to **Retirement Option 4** (PERS-PUB-18) for examples of allowances you can provide for your beneficiary.

The examples on the following pages provide more detail on the unmodified allowance and the options. The dollar amounts used show the relative cost of each option and are not representative of your case. If you have a family member eligible for Survivor Continuance, see the example on page 8; if not, skip to page 9.

Example of Optional Settlements With Survivor Continuance

Our example assumes your spouse is named beneficiary and is eligible for Survivor Continuance. We have also assumed that all of your service has been coordinated with Social Security; therefore, the Survivor Continuance would equal $\frac{1}{4}$ of your unmodified allowance.

	Retiree's Lifetime Allowance	Monthly Benefit To Surviving Spouse	
Unmodified Allowance The highest allowance payable. After your death, your spouse will receive the Survivor Continuance benefit as provided in your employer's contract.	\$1,000	\$250	Survivor Continuance
Option 1 After your death, your spouse will receive the Survivor Continuance benefit as provided in your employer's contract. Any of your remaining contributions will be paid in a lump sum to a beneficiary.	\$994	\$250	Survivor Continuance, plus any remaining contributions
Option 2* After your death, your spouse will receive the option portion for life and the Survivor Continuance benefit as provided in your employer's contract. If your spouse predeceases you, your allowance will increase to the unmodified amount.	\$675 \$250 <u>\$925</u>	\$675 \$250 <u>\$925</u>	Option Portion Survivor Continuance Total
Option 2W* After your death, your spouse will receive the option portion for life and the Survivor Continuance benefit as provided in your employer's contract. If your spouse predeceases you, your allowance will continue at the Option 2W amount.	\$687 \$250 <u>\$937</u>	\$687 \$250 <u>\$937</u>	Option Portion Survivor Continuance Total
Option 3* After your death, your spouse will receive $\frac{1}{2}$ of the option portion for life and the Survivor Continuance as provided in your employer's contract. If your spouse predeceases you, your allowance will increase to the unmodified amount.	\$712 \$250 <u>\$962</u>	\$356 \$250 <u>\$606</u>	Option Portion Survivor Continuance Total
Option 3W* After your death, your spouse will receive $\frac{1}{2}$ of the option portion for life and the Survivor Continuance benefit as provided in your employer's contract. If your spouse predeceases you, your allowance will continue at the Option 3W amount.	\$717 \$250 <u>\$967</u>	\$358 \$250 <u>\$608</u>	Option Portion Survivor Continuance Total
Option 4 You may customize the amount of allowance you want to provide to your beneficiary as long as the amount for your beneficiary is not more than the amount provided under Option 2W.			

Please refer to **Retirement Option 4** (PERS-PUB-18) for examples of types of Option 4 allowances that are currently available.

* Although our example specifies spouse, you may designate anyone to receive the option portion of an allowance. The Survivor Continuance benefit is guaranteed to an eligible survivor after your death.

Example Of Optional Settlements Without Survivor Continuance

	Retiree's Lifetime Allowance	Beneficiary's Monthly Allowance
<p>Unmodified Allowance</p> <p>The unmodified allowance is the highest payable. Following your death, only the retired member death benefit will be paid to your named beneficiary.</p>	\$1,000	None
<p>Option 1</p> <p>After your death, any of your remaining contributions will be paid in a lump sum to your named beneficiary.</p>	\$994	None
<p>Option 2</p> <p>After your death, your beneficiary will receive the same monthly allowance you were receiving. If your beneficiary predeceases you, your allowance will increase to the unmodified amount.</p>	\$900	\$900
<p>Option 2W</p> <p>After your death, your beneficiary will receive the same monthly allowance you were receiving. If your beneficiary predeceases you, your allowance will continue at the Option 2W amount.</p>	\$916	\$916
<p>Option 3</p> <p>After your death, your beneficiary will receive a monthly allowance equal to ½ the amount you were receiving. If your beneficiary predeceases you, your allowance will increase to the unmodified amount.</p>	\$949	\$475
<p>Option 3W</p> <p>After your death, your beneficiary will receive a monthly allowance equal to ½ the amount you were receiving. If your beneficiary predeceases you, your allowance will continue at the Option 3W amount.</p>	\$956	\$478
<p>Option 4</p> <p>You may customize the amount of allowance you want to provide to your beneficiary as long as the amount for your beneficiary is not more than the amount provided under Option 2W.</p>		

Please refer to **Retirement Option 4** (PERS-PUB-18) for examples of types of Option 4 allowances that are currently available.

Local Miscellaneous Members

2% at 60 Formula

Exact Age And Percentage Of Final Compensation

Age	50	51	52	53	54	55	56	57	58	59	60	61	62	63+
Benefit Factor	1.092	1.156	1.224	1.296	1.376	1.460	1.552	1.650	1.758	1.874	2.000	2.134	2.272	2.418
Years Of Service														
5	5.46%	5.78%	6.12%	6.48%	6.88%	7.30%	7.76%	8.25%	8.79%	9.37%	10.00%	10.67%	11.36%	12.09%
6	6.55%	6.94%	7.34%	7.78%	8.26%	8.76%	9.31%	9.90%	10.55%	11.24%	12.00%	12.80%	13.63%	14.51%
7	7.64%	8.09%	8.57%	9.07%	9.63%	10.22%	10.86%	11.55%	12.31%	13.12%	14.00%	14.94%	15.90%	16.93%
8	8.74%	9.25%	9.79%	10.37%	11.01%	11.68%	12.42%	13.20%	14.06%	14.99%	16.00%	17.07%	18.18%	19.34%
9	9.83%	10.40%	11.02%	11.66%	12.38%	13.14%	13.97%	14.85%	15.82%	16.87%	18.00%	19.21%	20.45%	21.76%
10	10.92%	11.56%	12.24%	12.96%	13.76%	14.60%	15.52%	16.50%	17.58%	18.74%	20.00%	21.34%	22.72%	24.18%
11	12.01%	12.72%	13.46%	14.26%	15.14%	16.06%	17.07%	18.15%	19.34%	20.61%	22.00%	23.47%	24.99%	26.60%
12	13.10%	13.87%	14.69%	15.55%	16.51%	17.52%	18.62%	19.80%	21.10%	22.49%	24.00%	25.61%	27.26%	29.02%
13	14.20%	15.03%	15.91%	16.85%	17.89%	18.98%	20.18%	21.45%	22.85%	24.36%	26.00%	27.74%	29.54%	31.43%
14	15.29%	16.18%	17.14%	18.14%	19.26%	20.44%	21.73%	23.10%	24.61%	26.24%	28.00%	29.88%	31.81%	33.85%
15	16.38%	17.34%	18.36%	19.44%	20.64%	21.90%	23.28%	24.75%	26.37%	28.11%	30.00%	32.01%	34.08%	36.27%
16	17.47%	18.50%	19.58%	20.74%	22.02%	23.36%	24.83%	26.40%	28.13%	29.98%	32.00%	34.14%	36.35%	38.69%
17	18.56%	19.65%	20.81%	22.03%	23.39%	24.82%	26.38%	28.05%	29.89%	31.85%	34.00%	36.28%	38.62%	41.11%
18	19.66%	20.81%	22.03%	23.33%	24.77%	26.28%	27.94%	29.70%	31.64%	33.73%	36.00%	38.41%	40.90%	43.52%
19	20.75%	21.96%	23.26%	24.62%	26.14%	27.74%	29.49%	31.35%	33.40%	35.61%	38.00%	40.55%	43.17%	45.94%
20	21.84%	23.12%	24.48%	25.92%	27.52%	29.20%	31.04%	33.00%	35.16%	37.48%	40.00%	42.68%	45.44%	48.36%
21	22.93%	24.28%	25.70%	27.22%	28.90%	30.66%	32.59%	34.65%	36.92%	39.35%	42.00%	44.81%	47.71%	50.78%
22	24.02%	25.43%	26.93%	28.51%	30.27%	32.12%	34.14%	36.30%	38.68%	41.23%	44.00%	46.95%	49.98%	53.20%
23	25.12%	26.59%	28.15%	29.81%	31.65%	33.58%	35.70%	37.95%	40.43%	43.10%	46.00%	49.08%	52.26%	55.61%
24	26.21%	27.74%	29.38%	31.10%	33.02%	35.04%	37.25%	39.60%	42.19%	44.98%	48.00%	51.22%	54.53%	58.03%
25	27.30%	28.90%	30.60%	32.40%	34.40%	36.50%	38.80%	41.25%	43.95%	46.85%	50.00%	53.35%	56.80%	60.45%
26	28.39%	30.06%	31.82%	33.70%	35.78%	37.96%	40.35%	42.90%	45.71%	48.72%	52.00%	55.48%	59.07%	62.87%
27	29.48%	31.21%	33.05%	34.99%	37.15%	39.42%	41.90%	44.55%	47.47%	50.60%	54.00%	57.62%	61.34%	65.29%
28	30.58%	32.37%	34.27%	36.29%	38.53%	40.88%	43.46%	46.20%	49.22%	52.47%	56.00%	59.75%	63.62%	67.70%
29	31.67%	33.52%	35.50%	37.58%	39.90%	42.34%	45.01%	47.85%	50.98%	54.35%	58.00%	61.89%	65.89%	70.12%
30	32.76%	34.68%	36.72%	38.88%	41.28%	43.80%	46.56%	49.50%	52.74%	56.22%	60.00%	64.02%	68.16%	72.54%
31	33.85%	35.84%	37.94%	40.18%	42.66%	45.26%	48.11%	51.15%	54.50%	58.09%	62.00%	66.15%	70.43%	74.96%
32	34.94%	36.99%	39.17%	41.47%	44.03%	46.72%	49.66%	52.80%	56.26%	59.97%	64.00%	68.29%	72.70%	77.38%
33	36.04%	38.15%	40.39%	42.77%	45.41%	48.18%	51.22%	54.45%	58.01%	61.84%	66.00%	70.42%	74.98%	79.79%
34	-	39.30%	41.62%	44.06%	46.78%	49.64%	52.77%	56.10%	59.77%	63.72%	68.00%	72.56%	77.25%	82.21%
35	-	-	42.84%	45.36%	48.16%	51.10%	54.32%	57.75%	61.53%	65.59%	70.00%	74.69%	79.52%	84.63%
36	-	-	-	46.66%	49.54%	52.56%	55.87%	59.40%	63.29%	67.46%	72.00%	76.82%	81.79%	87.05%
37	-	-	-	-	50.91%	54.02%	57.42%	61.05%	65.05%	69.34%	74.00%	78.96%	84.06%	89.47%
38	-	-	-	-	-	55.48%	58.98%	62.70%	66.80%	71.21%	76.00%	81.09%	86.34%	91.88%
39	-	-	-	-	-	-	60.53%	64.35%	68.56%	73.09%	78.00%	83.23%	88.61%	94.30%
40+	-	-	-	-	-	-	-	66.00%	70.32%	74.96%	80.00%	85.36%	90.88%	96.72%